VZCZCXRO4436 OO RUEHQU DE RUEHPU #0709/01 1351613 ZNY CCCCC ZZH O 141613Z MAY 08 FM AMEMBASSY PORT AU PRINCE TO RUEHC/SECSTATE WASHDC IMMEDIATE 8212 INFO RUEHBR/AMEMBASSY BRASILIA 1915 RUEHBU/AMEMBASSY BUENOS AIRES 1965 RUEHME/AMEMBASSY MEXICO 2516 RUEHMN/AMEMBASSY MONTEVIDEO 0156 RUEHOT/AMEMBASSY OTTAWA 4604 RUEHFR/AMEMBASSY PARIS 2624 RUEHSA/AMEMBASSY PRETORIA 1708 RUEHSG/AMEMBASSY SANTIAGO 2380 RUEHMT/AMCONSUL MONTREAL 0279 RUEHQU/AMCONSUL QUEBEC 1135 RUEHBS/USEU BRUSSELS RUEATRS/DEPT OF TREASURY WASHDC RUCOWCV/CCGDSEVEN MIAMI FL RUMIAAA/HQ USSOUTHCOM J2 MIAMI FL

### C O N F I D E N T I A L SECTION 01 OF 05 PORT AU PRINCE 000709

#### SIPDIS

STATE FOR WHA/CAR, DRL, S/CRS, INR/IAA SOUTHCOM ALSO FOR POLAD STATE PAS AID FOR LAC/CAR TREASURY FOR MAUREEN WAFER

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SUBJECT: HIGH LEVEL INTERNATION

SUBJECT: HIGH LEVEL INTERNATIONAL MISSION TO HAITI

FOLLOWING FOOD RIOTS

Classified By: Ambassador Janet Sanderson. Reason: E.O. 12958 1.4 (b), (d)

## Summary

(C) A High-Level International Mission to Haiti April 24-25 that included WHA A/S Shannon told political leaders that the international community continues to stand by Haiti after the recent rioting, but that Haitian leaders must strive for improved consensus across party lines and branches of government. Mission members urged political leaders to choose a new government quickly, and hold Senate elections soon. President Preval presented a USD 213 million request for agricultural sector assistance, which he said was necessary, along with rice subsidies, to prevent future social disturbances. Parliamentary leaders agreed that Haiti's executive and legislature must function more effectively and collaboratively. Business leaders lamented that the failure of MINUSTAH and the Haitian government to preserve order; argued that the private sector lacked the capital to provide jobs for all Haitians, asked that the international community assist in consolidating Haiti's political institutions; and hoped that the Government of Haiti would continue its reform agenda including privatization. All political party leaders stressed that Haiti needs international help to address the hunger issue immediately, with some regarding the MINUSTAH presence skeptically. End summary.

The Mission

¶2. (U) The High-Level International Mission, proposed by Canada, visited Haiti April 24-25. OAS SYG Insulza chaired the delegation, accompanied by Deputy Secretary General Albert Ramdin and including WHA A/S Thomas Shannon and WHA/CAR Director Velia DePirro; Canada -- Assistant Deputy Minister for Bilateral Relations James Fox and CIDA Director General Luc Frechette; Brazil -- Head of ABC Luis Fonseca and Head of Caribbean and CENAM Ambassador Mourao; Mexico -- MFA Director General for Regional Organizations of the Americas

Jose Antonio Zabalgoitia and Bilateral Cooperation (Latin America) Director Sonia Gonzalez; Argentina -- MFA DG of Policy for Latin America Guillermo Hunt and MFA Director for Central America, Mexico and Caribbean Ana Berta; Chile -- Ambassador to Haiti Marcel Young; France (representing the EU Presidency) -- Ambassador to Haiti Christian Connan (observer); and European Commission -- representative in Haiti Francesco Gosetti (observer).

## SRSG's Assessment

13. (C) Soon after the delegation arrived April 24, SRSG Hedi Annabi briefed them on the recent disturbances, noting how they had shown the fragility of the progress we had achieved in Haiti. The groundswell of popular discontent over rising food prices had been harnessed by persons pursuing political agendas as well as other spoilers with criminal motivations. This led to violence that surpassed the capability of the Haitian National Police and stretched MINUSTAH to the limit. However, they had successfully defended the National Palace and other key installations. Recapping the political fallout, Annabi recalled that the political alliance that had sustained the government of Prime Minister Alexis over 18 months, despite its extreme fragility, had passed crucial reform and budget legislation, thereby contributing materially to Haiti's stabilization. Yet legislative leaders succumbed to the tendency of Haiti's political actors to take advantage of violence to further their own political agendas.

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14. (C) The SRSG asked the Mission to stress to the GOH the importance of pulling together for decisive action. Improved collaboration between branches of government and among political parties is vital, as is advancing the electoral process. He urged the Mission to consider short-term measures to address hunger and agricultural development, combined with technical assistance to improve ministries' ability to deliver. He promised that MINUSTAH will work with Haitian law enforcement to pursue those who instigated the recent violence. He concluded on an optimistic note, arguing that the government and people of Haiti remain determined to move ahead, that the level of international community commitment to Haiti remains high, and that the High Level Mission is an opportunity to re-energize the stabilization process.

# The Mission's Coordinated Message

- (C) Canada's James Fox said that the Mission should underscore to the President and the political parties the need for unity and offer MINUSTAH's ''good offices'' in bringing about greater consensus. The international community would have to craft short-, medium- and long-term answers to Haiti's problems, using Haiti's National Strategy Document for Growth and Poverty Reduction (DSNCRP) as a framework. A/S Shannon said that the recent unrest showed how Haiti was impacted by global issues such as rising food prices. This High Level International Mission should counteract the groups who used the violence to bring down the government with its own determination to work with the government and re-engage on immediate issues as well as on a strategic vision. Haiti's partners need a clear political environment, which required that a new government be named quickly and Senate elections be held. Mexico's Jose Antonio Zabalgoitia said that the IC should show support for the government, discuss ways to put the stabilization process back on track, encourage the political parties to work constructively, while strengthening Haiti's institutional capacity, and offering short-term help to address the food crisis.
- ¶6. (C) Brazil's Luis Fonseca asserted that we face a food

crisis in Haiti not a political one. Hence the Mission should focus on food and agricultural aid. Argentina DG Guillermo noted that the international community's committee to Haiti has costs; domestic audiences have to see that their countries' commitments are matched by Haiti's own commitment. OAS SecGen Insulza summed up that the IC has to address the food and employment crisis; work with the parties, legislature and government to achieve political stability; address long-term development, including to holding the postponed International Donors Conference within 15 days, and address criminal and drug violence and gangs. SRSG Annabi cautioned that President Preval will focus on short-term relief. However, it is clear that controlling prices was not a solution. We should focus on the government's ''Plan of Action'' and then the DSNCRP.

Preval: Haiti Needs Immediate Additional Help

17. (C) In his meeting with the Mission that evening, President Preval did nothing to disprove Anabi's prediction. He focused almost exclusivel on the need to subsidize rice, oil and wheat an on the USD 30 million the international communit should provide to pay for this. He did not mentin the IDB's or CARICOM's already-pomised funds for his subsidy proposal. He dismissed the notion there was a political crisis. It was all about food prices. Preval warned several times that the people will take to the streets again if the

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international community does not support the plan to lower prices. He said that school meal programs, referring specifically to the World Food Program, were insufficient since the food was distributed ''away from the public eye.'' Preval appeared to downplay Haiti's National Strategy Document on Growth and Poverty Reduction (DSNCRP), noting that it already had international approval and thus require no further debate. When others proposed holding the postponed International Donors Conference to review ways the international community could support the DSNCRP, Preval said he saw little need for the conference. (Note: To date, he has not rescheduled it. End note) He urged that job creation programs focus on the agricultural sector, claiming that 60-70% of the unemployed could find employment in that sector. He also noted that labor intensive projects were needed in urban centers. Preval gave MINUSTAH credit for improving security in Haiti. Preval blamed much of Haiti's ills on drug trafficking and claimed the responsibility for solving the problem lay with the consuming countries.

- (C) Canada's Assistant Deputy Minister Fox emphasized the Mission's solidarity with Haiti, while stressing the need to return to ''normalcy.'' Fox urged Preval to form a new government quickly, pass needed legislation, improve the working of the Executive Branch, and improve IC-GOH coordination. A/S Shannon reiterated the message of solidarity and friendship. He reaffirmed the IC's commitment to working with Haiti to help find solutions for the Haitian people, stressing that the IC and the GOH have a common agenda for the future. Shannon noted that the IC looks forward to the naming of a new PM, the expeditious formation of a new government, and to resolution of outstanding electoral issues to ensure functioning democratic institutions. He also noted U.S. interest in an early donor's conference to work on the National Strategy Document on Growth and Poverty Reduction (DSNCRP). He ended by noting that quick action by Preval on outstanding political issues will help the IC to work jointly with the government. In a second brief intervention, A/S Shannon reviewed USG assistance in response to the food crisis.
- 19. (SBU) Brazil listed its assistance to Haiti and pledged additional help, without being specific. Argentina underscored its solidarity with Haiti, but noted the need for a stable political framework, and for badly needed economic development. He pledged Argentina's continued support for

MINUSTAH and to working with the IC and the GOH. He said Argentina is ready to strengthen its technical cooperation in agriculture and will pledge additional funds to the World Food Program (WFP). Mexico's Zabalgoitia assured Preval of Mexico's cooperation ''within its capacity.'' He said the Rio Group, into which Haiti had been recently accepted, will also support Haiti. He made reference to the need to consolidate political stability in Haiti.

# Political Parties

110. (SBU) Meeting with heads of several political parties the morning of April 25, Canada's James Fox stressed the International Community's commitment to work with the democratically elected President and Government of Haiti. All political forces must act in unison to confront the Haiti's food crisis and political crisis. The IC wants to work in partnership with Haiti. The parliament has an important role beyond criticizing the government: it should collaborate with the government to confront the current monumental problems Haiti faced. Fox expressed concern over corruption in many sectors in Haiti, including in the parliament. IC governments providing assistance to Haiti are accountable to their voters, and asked that the parliament attack this problem.

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- 111. (SBU) Alyans Party President Evans Paul thanked the IC for their solidarity with Haiti, while noting that Haiti, not the international community, is responsible for solving Haiti's ills. This is a fragile country facing grave structural problems. Haiti has made great strides: holding elections, creating a legitimate and inclusive government, and implementing a fiscal policy of austerity. However, these have not satisfied the expectations people, who faced a food crisis and mass unemployment. Haiti remains open to working with the international community to address these issues. Himmler Rebu, head of the numerically-small GREH party and a former army officer, said that Haiti has seen the erosion of basic state structures since the departure of the Duvaliers, and now faces a ''collapse of the system.'' Haiti needs to create a situation so that MINUSTAH can depart without ''provoking the immediate reoccupation of Haiti.''
- 112. (SBU) Victor Benoit, Fusion President, said that Haiti's crisis is socio-economic not political. Hunger is the main issue. The Senate has fulfilled its responsibility and ''relieved the tension'' that produced the riots, by voting the Alexis government out of office. Benoit asked the IC to help the GOH cope with the damage caused by past hurricanes and rising food prices, especially by helping Haitian agriculture. Senator Rudy Heriveaux of Fanmis Lavalas (FL) defended the Senate's ouster of PM Alexis as a necessary, unavoidable decision. The government has failed to comprehend the gravity of the situation. Heriveaux noted a tendency to blame Fanmis Lavalas for the violence, but FL has condemned the violence. The official FL position is peace and stability. The party stands behind President Preval. However, there is genuine popular frustration with chronic government slowness and inaction. Preval can not claim he has been thwarted by the opposition because there is no real opposition. He has the support of nearly all political parties, including Fanmis Lavalas. Haiti needs urgent programs to alleviate misery. The President should open discussions with all parties and groups in parliament, including FL.
- 113. (SBU) Minister for Relations with Parliament Joseph Jasmin (representing Lespwa) told the IC that Haiti has been buffeted by economic policies set up by the ''international system.'' The government that implemented them has failed. Following international advice, Haiti had achieved economic stability and cleaned up public finances, but in doing so had developed huge ''social gaps'' and deep poverty.

Nevertheless, the riots surprised everyone. Haiti needs a true partnership with the international community to address the short-term social hardship, while also helping Haiti to become self-sufficient in food production. Carlo Clement of the KONBA party said the IC should implement a ''Marshall Plan'' in Haiti. MINUSTAH is welcome but should focus on infrastructure-building, and act less as ''tourists.''

114. (SBU) A/S Shannon concluded the session by conceding that democracy is contentious by nature, but that political forces in Haiti needs to act within the framework of democracy to keep the Haitian state functional. Political leadership -- in the parliament and in political parties -- is now at a premium. The building of consensus within Haiti's political class will determine whether its partnership with the international community will bear fruit.

## Business Community and Civil Society

115. (SBU) The High Level Mission met with a group of business representatives and civil society leaders on April 25, Rosny Desroche of the Civil Society Institute said Haiti faced a ''collapse of the economy,'' a stark imbalance

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between food production and the needs of the population (compounded by flood and hurricane damage to agriculture), and a state that has shown itself unable to maintain public order. All Haiti's democratic institutions, beginning with parliament, have to function better. Businessman Gregory Mews reinforced the point about strengthening Haiti's institutions, adding that Haiti needs to bring the majority of the population into the democratic process. If Haiti's private sector is ever to become competitive, the private sector will have to pay its taxes to finance the institutions Haiti needs. Haiti's middle class, most of which now lives in Miami and Montreal, will have to be restored.

116. (SBU) Citibank Managing Director in Haiti Gladys Coupet said that the rioting has been a significant setback to Haiti's progress. She expressed dismay that such destructive riots spread so quickly after all that had been spent on MINUSTAH. Haiti's private sector is too weak and ''decapitalized'' to provide food and work for all Haitians. Haiti needs targeted aid for the poor, assistance designed to produce private sector ''success stories'' in areas such as rice production, systematic privatization that will include the airport, and the renewal of foreign trade preferences for Haiti such as HOPE. Haitian-French Chamber President Gregory Brandt declared that the government must not stray from its reform agenda, including fiscal and judicial reform, and fighting corruption and drug trafficking. Subsidizing food imports is ''anti-economic.'' He supports government efforts to increase cereal production, improve irrigation, clear clogged canals, and procure seed and fertilizer for farmers.

# The Parliament

117. (SBU) The High Level Mission met with Senate President Kely Bastien and Chamber of Deputies President Eric Jean-Jacques April 25. Bastien welcomed the Mission's visit as a sign of support for Haiti in political and social difficulty. Haiti has achieved much in two years of political consolidation, but recent disturbances have slowed that progress. Although the immediate cause of the riots was exogenous -- food price inflation -- they had shown up Haiti's domestic structural weaknesses. Haiti had to strengthen its institutions with international help, while also improving the economic lot of its people and modernizing agriculture. Haiti needs a strong private sector to create jobs. Bastien admitted that Haiti's President, Prime Minister and cabinet ministers had failed to delegate power and to communicate effectively with the population. Haiti needs a legitimate, more stable government that will partner

with the legislature in a ''national engagement.''

(SBU) Mexico's Zabalgoitia said that the Mission was visiting Haiti to emphasize international community concern over the economic situation and political stability. Haiti's political class must summon the will to solve the ''political crisis,'' select a Prime Minister quickly, and hold Senate elections soon. A/S Shannon said the Mission wanted to show international solidarity with the people and elected government of Haiti in their efforts to address the current difficulties, and to build a democratic and prosperous society. The international community is ready to help address the immediate food crisis. However, Haiti should move quickly to restore political stability by choosing a Prime Minister and holding Senate elections. The International Community believes that the most important job lay with Haiti's political leadership, which needs to build consensus around a development model. Senate President Bastien concluded by saying that he shared the concerns expressed by the Mission about the political challenges facing Haiti. SANDERSON